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1992

Low, L. Gregory.

FY '91

Task 93

Final Product
V/A Coastal Resources Mgt. Program
12/81/92

**Final Report and Work Products,
Conservation Easement Program,
Northampton County, Virginia/
Grant No. NA17OZ0359-01**

HD211.V8L6 1992

Submitted by:

**L. Gregory Low
The Nature Conservancy
November 13, 1992**

This work was funded, in part, by the Virginia Council on the Environment's Coastal Resources Management Program through Grant #NA17OZ0359-01 of the National Ocean and Atmospheric Administration, Office of Ocean and Coastal Resource Management, under the Coastal Zone Management Act of 1972, as amended.

Final Report

The Nature Conservancy has completed all five tasks as outlined in the scope of work for the Conservation Easement Program. A summary of accomplishments towards each of the tasks, and a statement of final work products follows.

Implementation of the Conservation Easement Program has also secured several other important results:

- The Conservancy secured a grant commitment in October, 1992 from the U.S. Environmental Protection Agency to develop a "model sub-watershed project" in Northampton County, Virginia, which will bring additional applied scientific research support to the conservation easement program.
- The Conservancy has discussed the conservation easement program with several local owners of priority tracts, and has received very positive reactions from every landowner.
- The Conservancy made a presentation in November, 1992 to the Southeastern Council of Foundations, advancing the conservation easement concept to approximately 40 foundation donors from across the Southeast.
- The Conservancy is scheduled to present the program to a major potential conservation-minded investor in late November, 1992.

Task #1

The Conservancy developed preliminary criteria to identify high priority tracts in the project area, including location, water access, developability (e.g. soils, size), and potential to secure a conservation easement. Using these criteria and maps of the project area, the Conservancy selected two high priority waterfront tracts for action, Mt. Pleasant Farm and the Standard Products tract. A third tract, Mill Creek Farm, was selected for preliminary site planning work, because of its proximity to Mt. Pleasant Farm.

Work Products (enclosed):

- **Priority Tracts -- Preliminary List**

Task #2

Using aerial photos, topographic maps, and field inspection, the Conservancy's professional land use planning consultant developed baseline and environmental conditions maps for the selected tracts.

Work Products (enclosed):

- **Mt. Pleasant Farm**
 - **Base Map**
 - **Environmental Conditions Map**
- **Standard Products Concept Plan Maps**
 - **Base Map**
 - **Environmental Conditions Map**

Task #3

The Conservancy and its professional land planning consultant -- Sasaki Associates, Inc. -- developed three potential land use plans for each of the two tracts. These plans were based upon the Conservancy's tentative conservation easement standards, each tract's opportunities and constraints, as well as potential market-based uses of the properties.

Work Products (enclosed):

- **Mt. Pleasant Farm Concept Plan Maps**
 - **Alternative A**
 - **Alternative B**
 - **Alternative C**
- **Standard Products Concept Plan Maps**
 - **Alternative A**
 - **Alternative B**
 - **Alternative C**

Task #4

The Conservancy developed financial spreadsheets on Lotus 1-2-3 (constructed with the help of a professional developer) to demonstrate the economic viability of a selected land use plan for each tract.

Work Products (enclosed):

- **Preliminary Financial Estimates: Mt. Pleasant Farm -- Concept C**
- **Preliminary Financial Estimates: Standard Products Tract -- Concept C**

Task #5

The Conservancy developed a plan and timetable for securing a conservation easement on each tract, via resales of the properties with deed restrictions to conservation-minded buyers.

Work Product (enclosed):

- **Plan for Securing Conservation Easements**

Project Finances

All budgeted funds (\$16,685) were fully obligated for contractual expenses during the quarter ending September 30, 1992. The Conservancy provided in-kind support as well as supplemental funding for the contractual services.

Separate Enclosures:

Copies of Invoices for Contractual Services from Sasaki Associates, Inc.

- Project No. 02893.05 - Mt. Pleasant/Mill Creek Site Planning

Invoice #7490 -- for period ending July 18, 1992	\$ 4,538.42
Invoice #7999 -- for period ending August 15, 1992	\$ 3,148.36

- Project No. 02893.06 - Standard Products Concept Plan

Invoice #8384 -- for period ending September 30, 1992	\$ <u>10,000.00</u>
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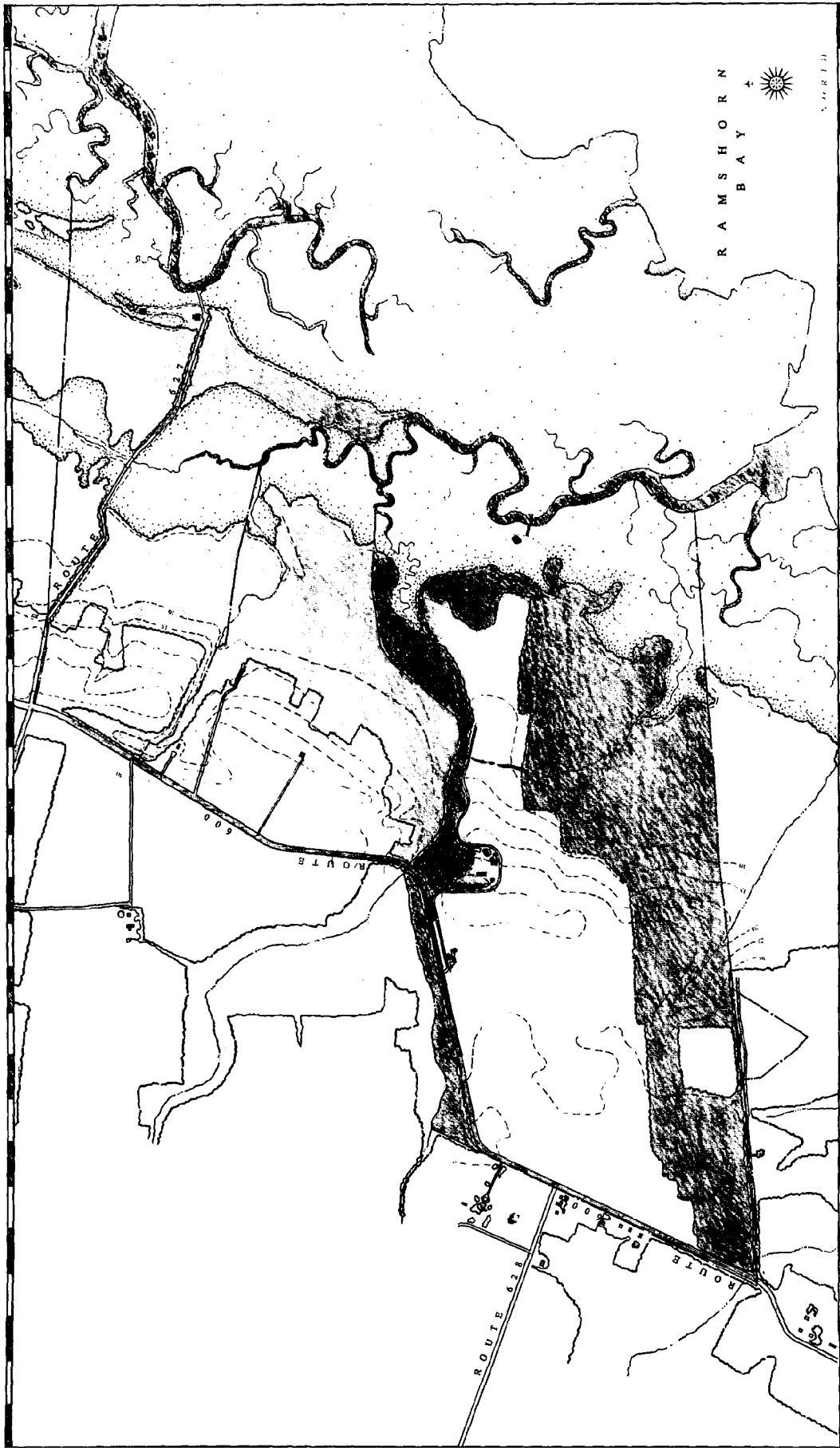
TOTAL CONTRACTUAL SERVICES INCURRED	\$ 17,686.78
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TOTAL BUDGETED CONTRACTUAL SERVICES	\$ 16,685.00
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**Priority Tracts
Conservation Easement Program
Northampton County, Virginia
Preliminary List**

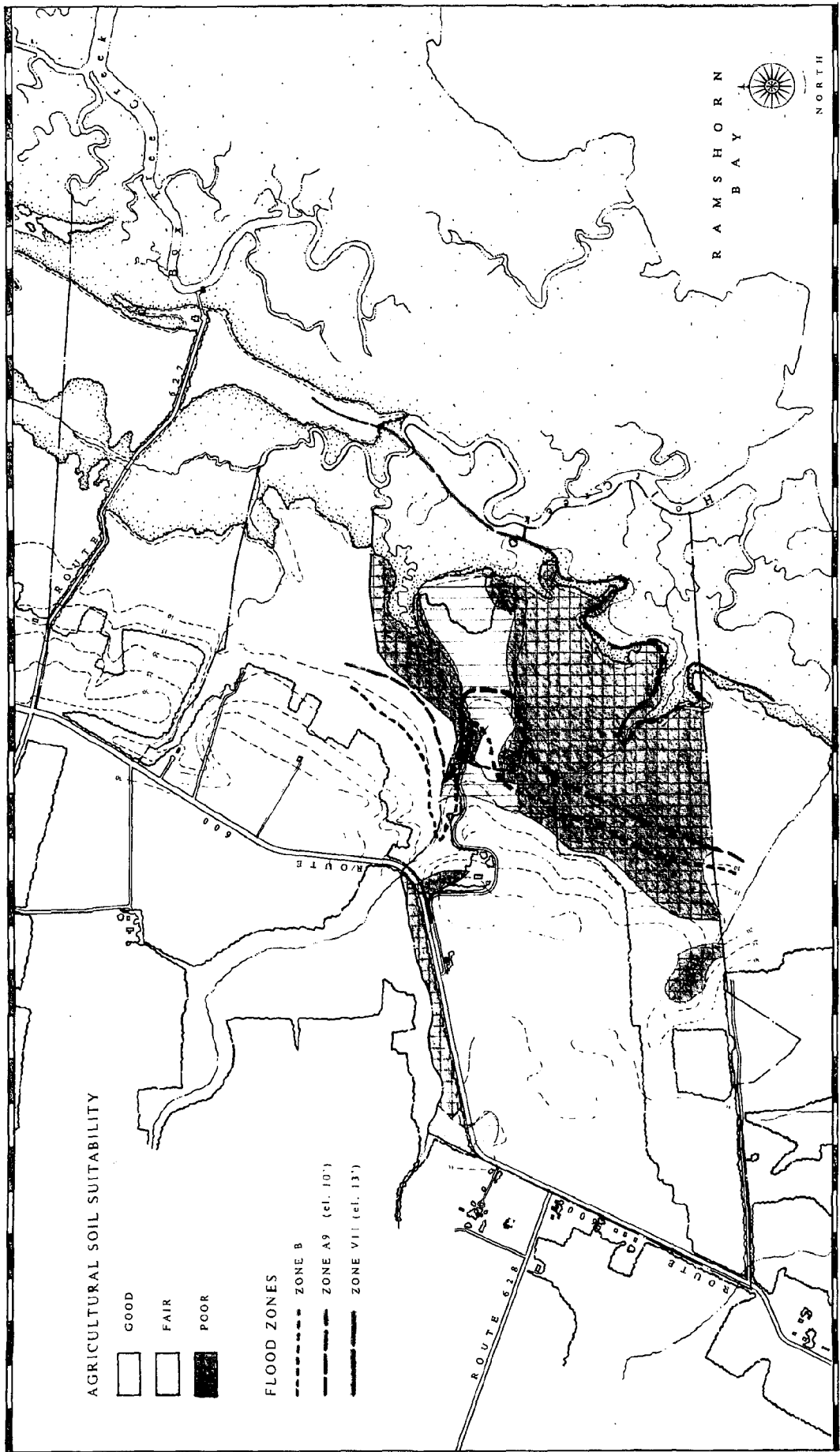
All of the following properties meet the following criteria for preliminary selection as a priority tract: (1) waterfront location; (2) water access; (3) developability (adequate size; good soils; no major development constraints); and potential to secure a conservation easement.

1. Mt. Pleasant Farm
2. Boxtree Farm
3. Mill Creek Farm
4. Goshen Farm
5. Gladden Farm
6. Brickhouse Neck Farm
7. Standard Products tract
8. Lewis Farm
9. Custis Farm
10. Terry Farm
11. American Originals tract
12. Terry brothers tract
13. Hamlin tract
14. Grapeland



VIRGINIA EASTERN SHORE BIOSPHERE RESERVE MOUNT PLEASANT DRAFT CONCEPT PLAN The Nature Conservancy

PREPARED BY SASAKI ASSOCIATES, INC. JUNE 1992 ©1992 ALL RIGHTS RESERVED BY THE NATURE CONSERVANCY
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VIRGINIA EASTERN SHORE BIOSPHERE RESERVE

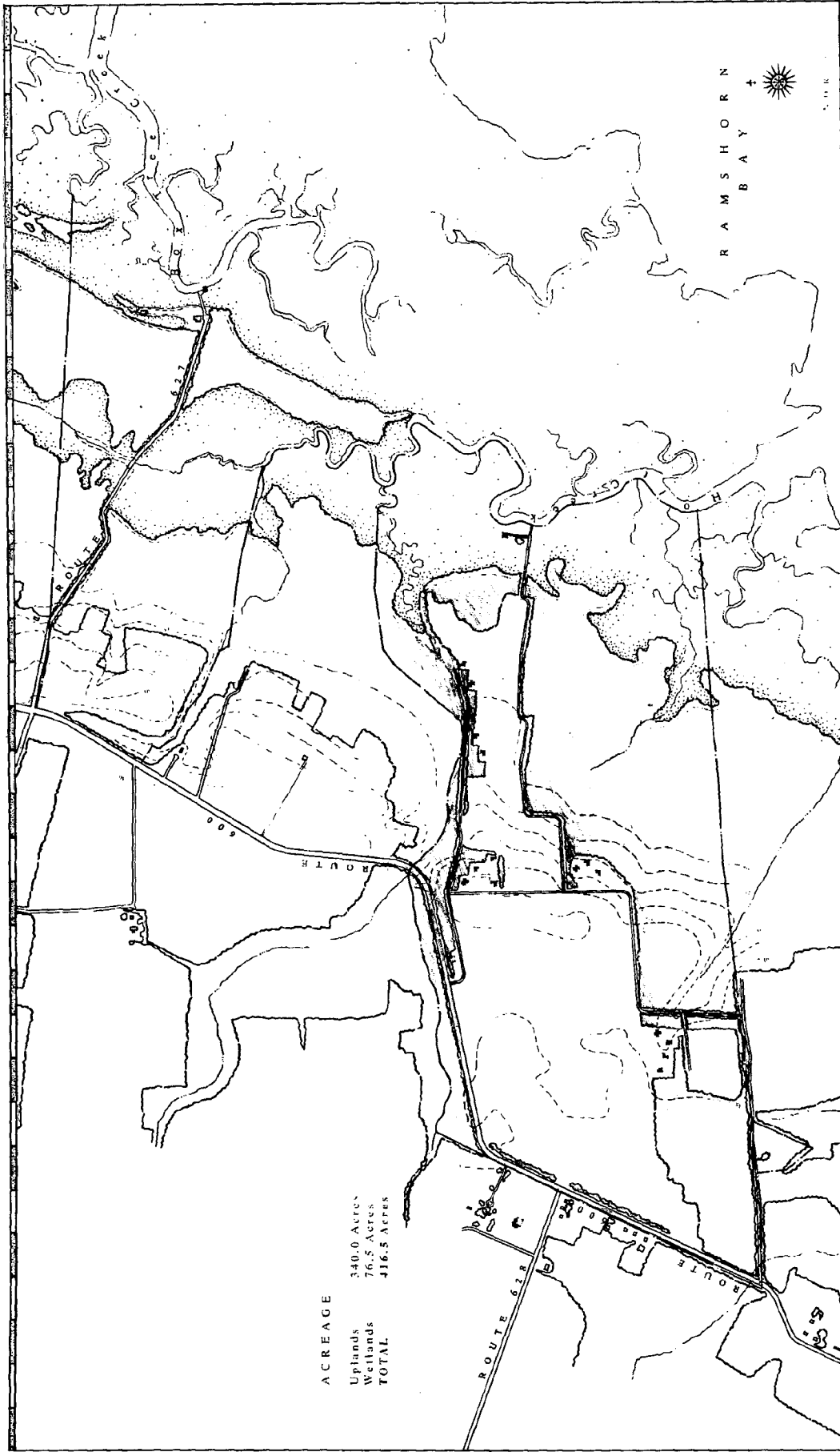
MOUNT PLEASANT DRAFT CONCEPT PLAN

The Nature Conservancy

ENVIRONMENTAL CONDITIONS MAP

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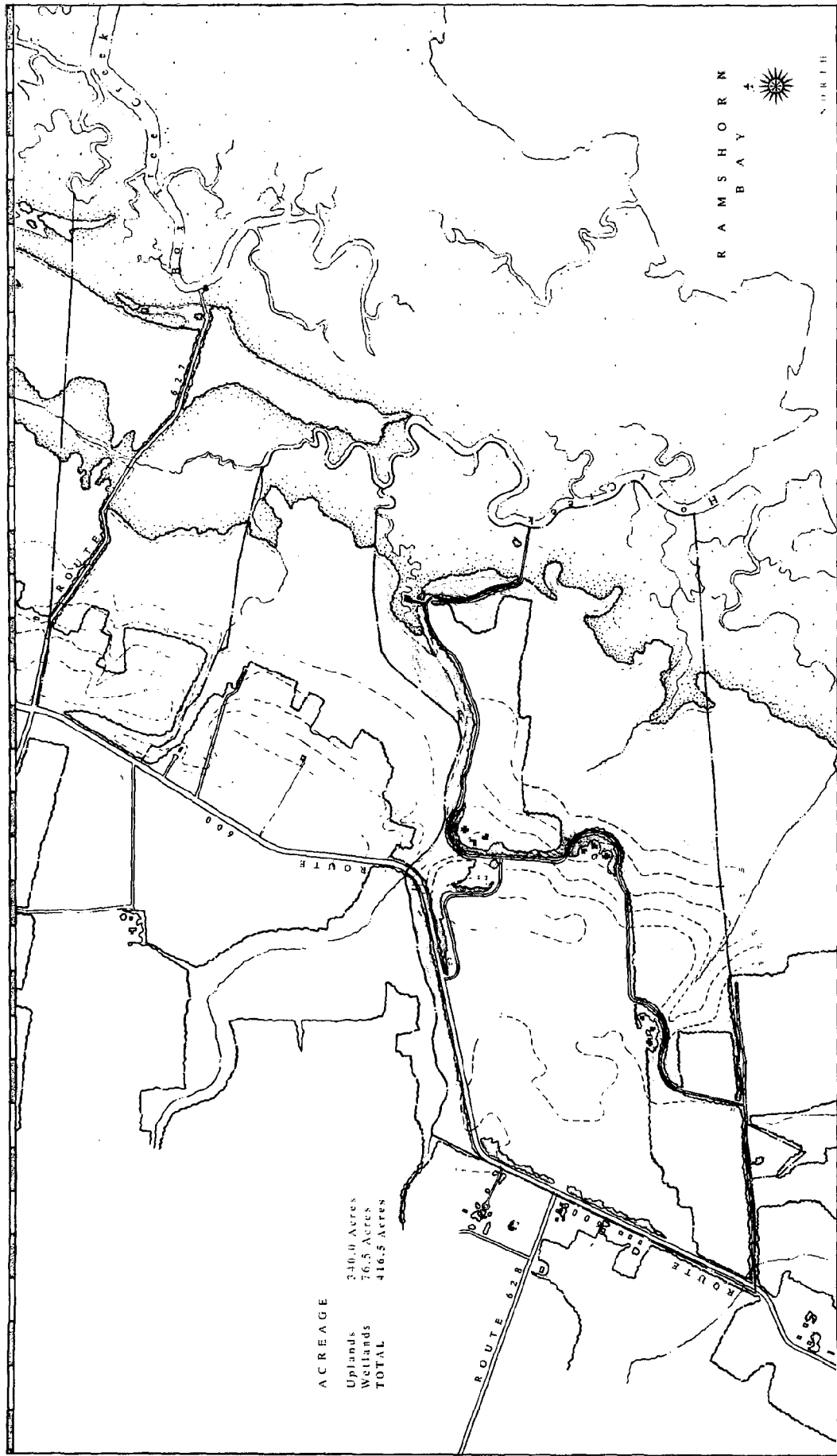
ACREAGE	
Uplands	340.0 Acres
Wetlands	76.5 Acres
TOTAL	416.5 Acres

VIRGINIA EASTERN SHORE BIOSPHERE RESERVE MOUNT PLEASANT DRAFT CONCEPT PLAN

The Nature Conservancy
ALTERNATIVE A.

PREPARED BY SASAKI ASSOCIATES, INC. JUNE 1992 ©1992 ALL RIGHTS RESERVED BY THE NATURE CONSERVANCY

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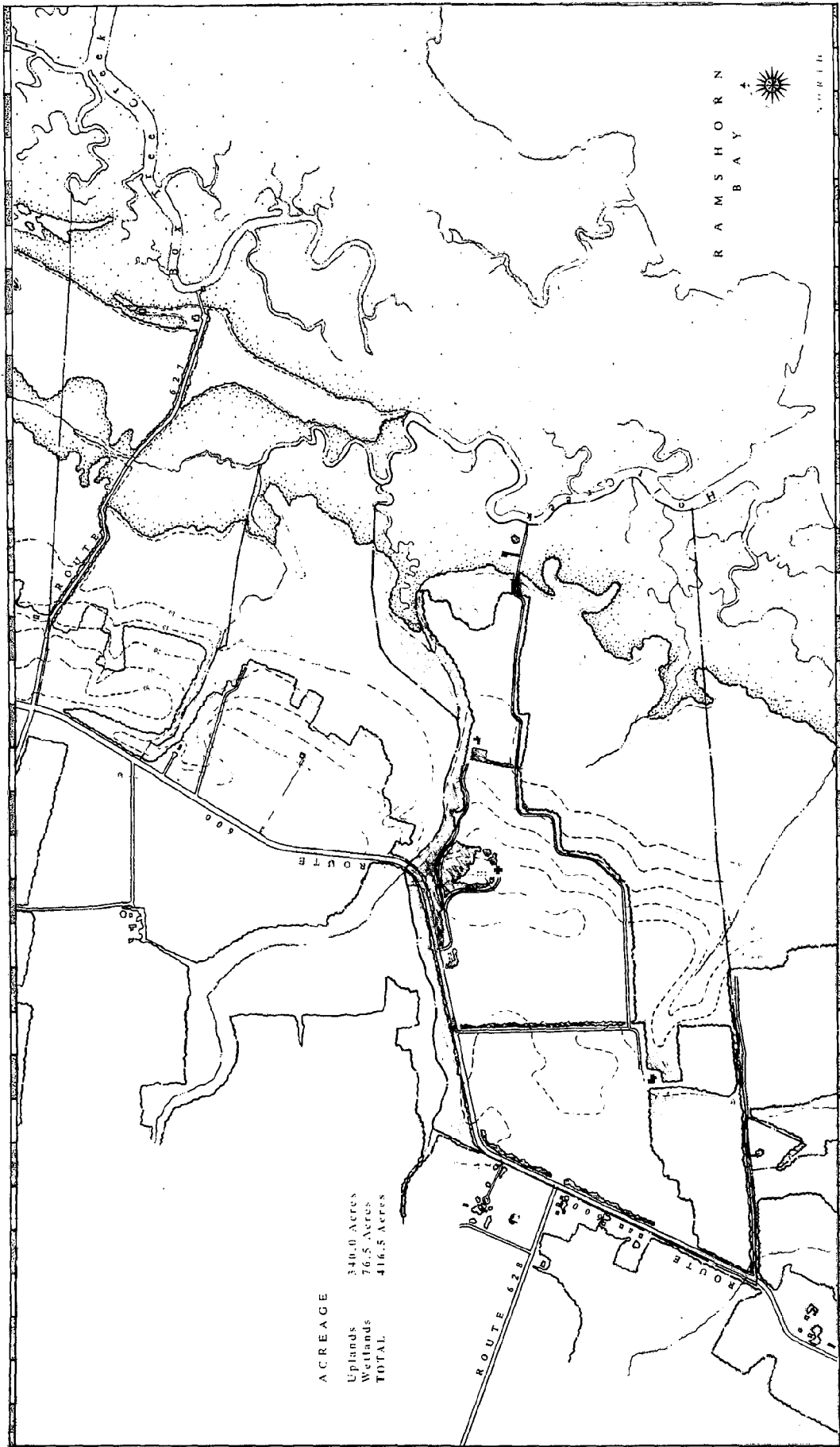
VIRGINIA EASTERN SHORE BIOSPHERE RESERVE

MOUNT PLEASANT DRAFT CONCEPT PLAN

The Nature Conservancy
ALTERNATIVE B.

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[illegible]

Assumptions:

Paved roads (16' asphalt) per foot:	\$25
Driveways (9' clamshell) per foot:	\$10
Farm roads (9' graded) per foot	\$5
Trails cost (4' clamshell) per foot:	\$3
Landscaping per unit:	\$2,500
Electricity cost per foot:	\$3
Survey/engineering per unit:	\$5,000
Contingency (% of total improvements)	5.0%
Ave. interest rate on internal borrowed funds:	1.5%



VIRGINIA EASTERN SHORE BIOSPHERE RESERVE

STANDARD PRODUCTS DRAFT CONCEPT PLAN

The Nature Conservancy

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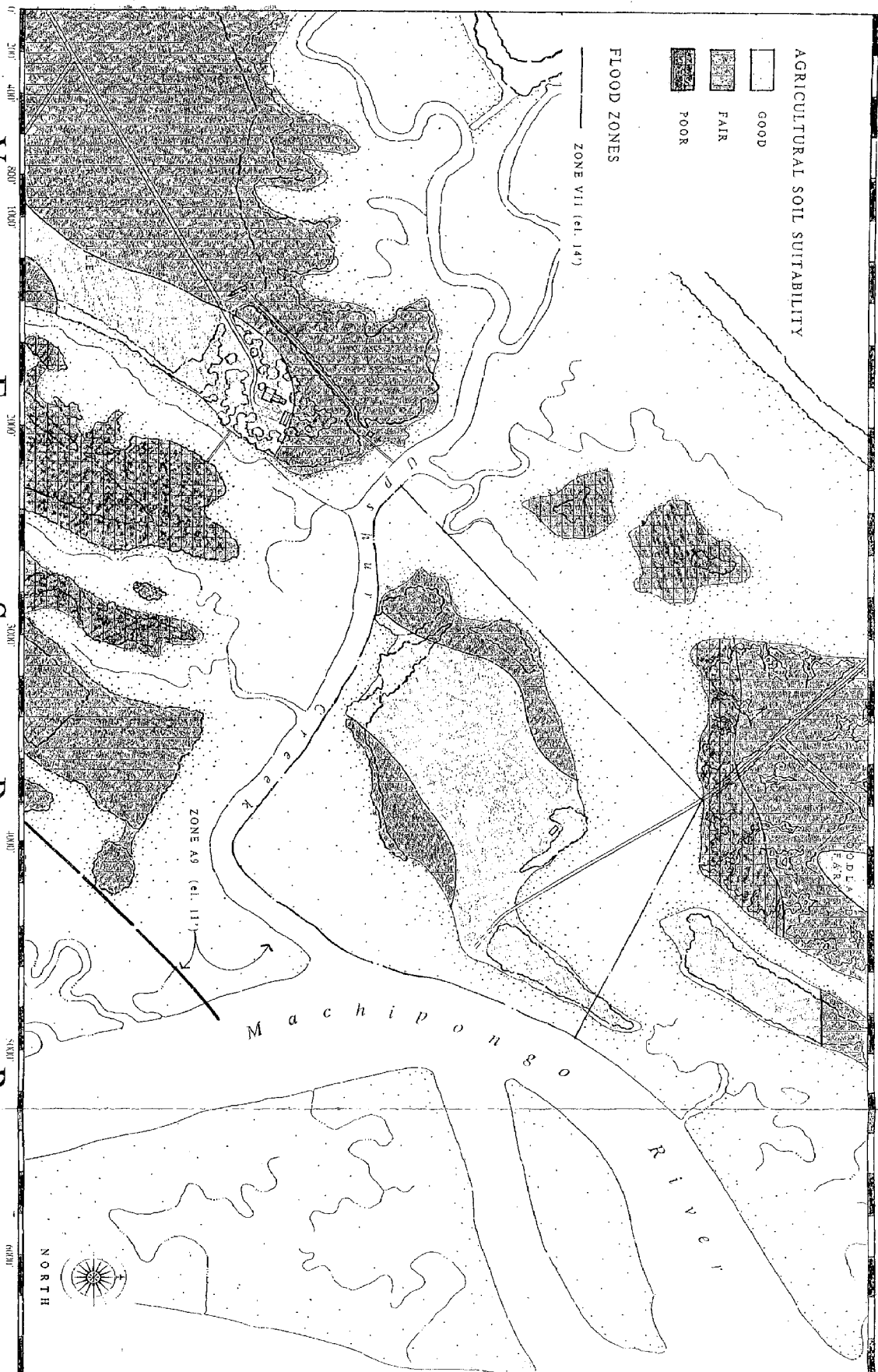
VIRGINIA EASTERN SHORE BIOSPHERE RESERVE

STANDARD PRODUCTS DRAFT CONCEPT PLAN

The Nature Conservancy

ENVIRONMENTAL CONDITIONS MAP

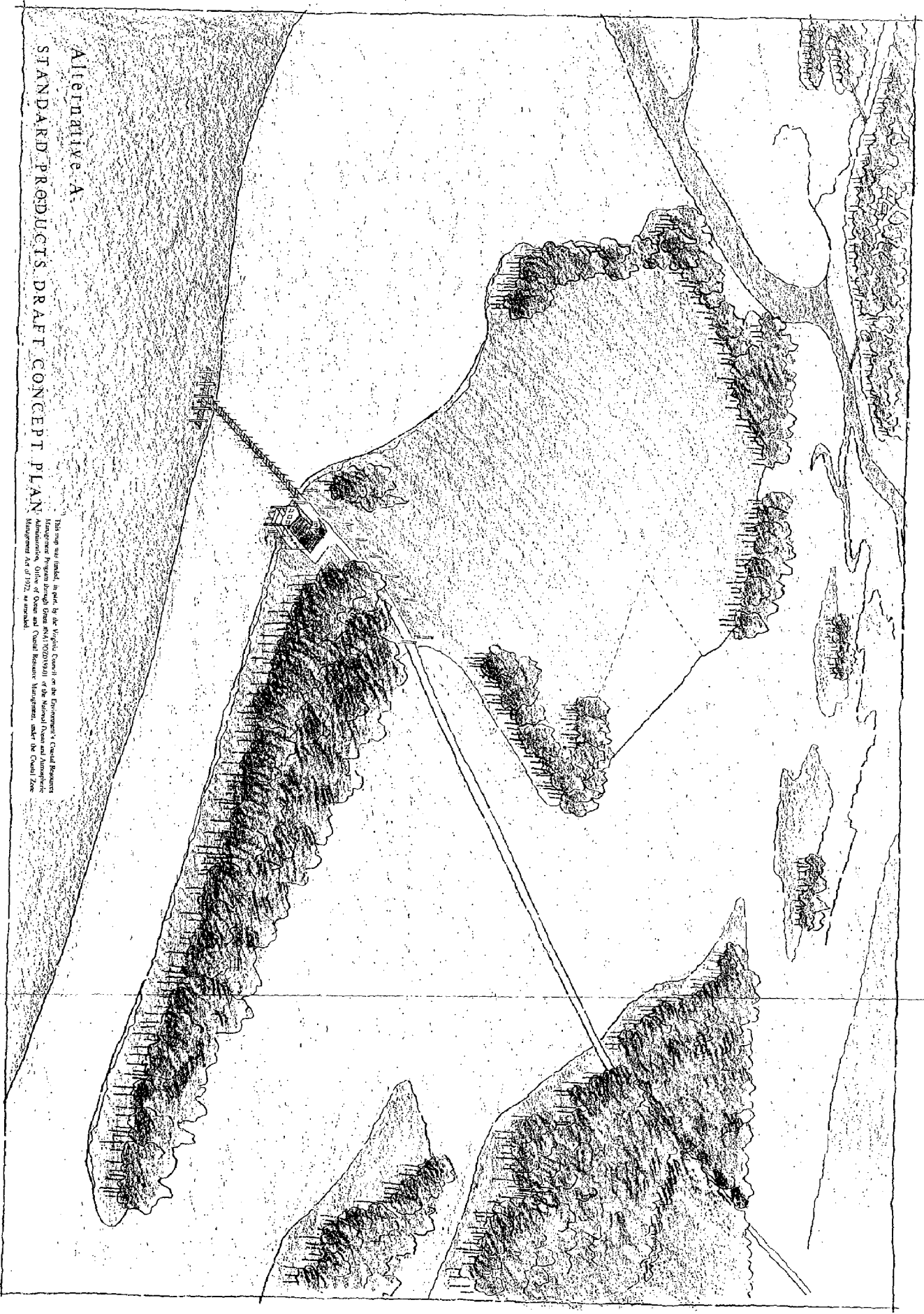
PREPARED BY SASAKI ASSOCIATES, INC. SEPTEMBER 1992 ©1992 ALL RIGHTS RESERVED BY THE NATURE CONSERVANCY



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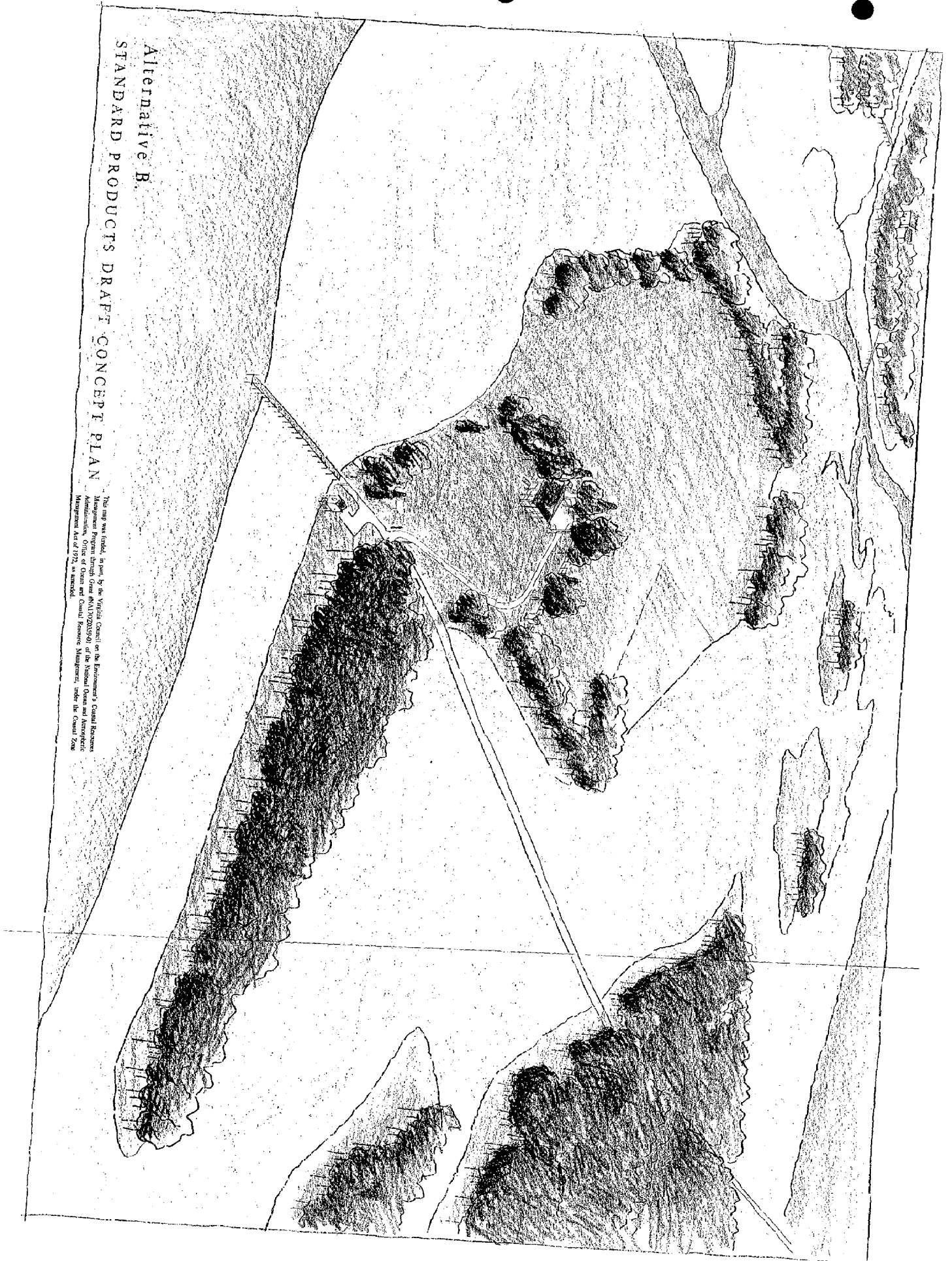
Alternative A
STANDARD PRODUCTS DRAFT CONCEPT PLAN

This map was made, in part, by the Virginia Council on the Environment's Coastal Resources Management Program through Grant #NA1702019301 of the National Ocean and Atmospheric Administration, Office of Ocean and Coastal Resource Management, under the Coastal Zone Management Act of 1972, as amended.



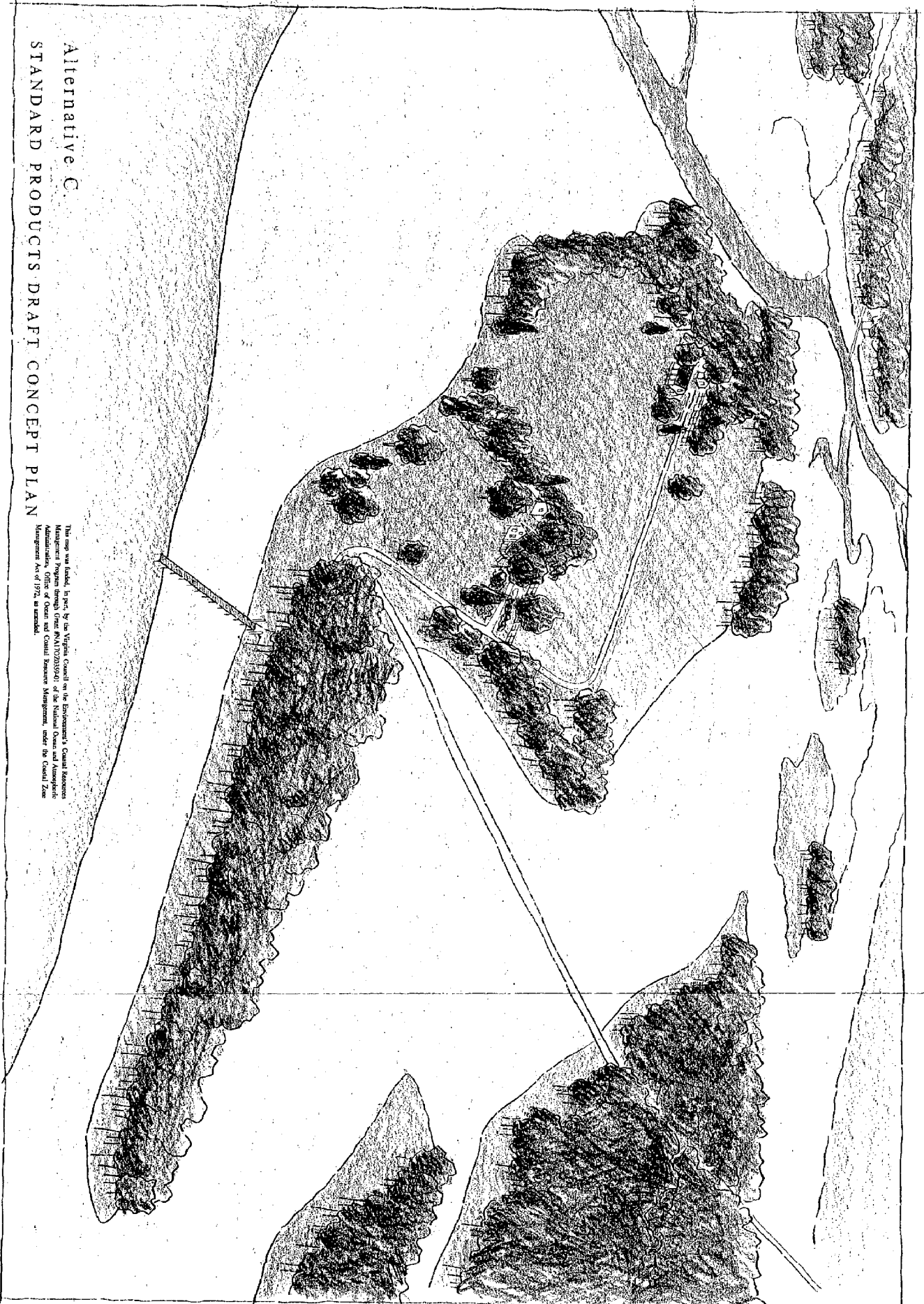
Alternative B.
STANDARD PRODUCTS DRAFT CONCEPT PLAN

This map was funded, in part, by the Virginia Coastal Management Program, administered by the Virginia Department of Planning and General Services, Office of Ocean and Coastal Resource Management, under the Coastal Zone Management Act of 1972, as amended.



Alternative C
STANDARD PRODUCTS DRAFT CONCEPT PLAN

This map was funded, in part, by the Virginia Council on the Environment's Coastal Resources Management Program through Grant #VA1702039401 of the National Ocean and Atmospheric Administration, Office of Ocean and Coastal Resource Management, under the Coastal Zone Management Act of 1972, as amended.



		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
REVENUES								
Sales								
	#	Price						
Waterview site	2	\$300,000	\$300,000	\$300,000	\$300,000	\$0	\$0	\$600,000
Total Revenues	2		\$300,000	\$0	\$300,000	\$0	\$0	\$600,000
EXPENSES								
Improvements Roads & Trails		(# Feet)						
Improved Roads			\$18,000					\$0
Clamshell Driveways	1800							\$18,000
Farm Road								\$0
Trails	500			\$1,500				\$1,500
Landscaping				\$20,000	\$20,000			\$40,000
Electricity				\$15,000				\$15,000
Causeway Improvement	5000		\$75,000					\$75,000
Dock				\$25,000				\$25,000
Survey/Engineering			\$10,000					\$10,000
Site planning			\$8,500					\$8,500
Subtotal Improvements			\$111,500	\$61,500	\$20,000	\$0	\$0	\$193,000
Contingency			\$5,575	\$3,075	\$1,000	\$0	\$0	\$9,650
Total Expenses (excluding land)			\$117,075	\$64,575	\$21,000	\$0	\$0	\$202,650
Land Cost								
Interest Expense (Income)		\$275,000	\$0	\$0	\$0	\$0	\$0	\$275,000
TNC Cash Flow (during period)			\$0	\$13,314	\$9,987	\$2,908	(\$7,026)	\$11,619
TNC Cash Impairment (cumulative)			(\$275,000)	\$169,611	(\$74,562)	\$276,092	\$7,026	\$110,731
SURPLUS/(DEFICIT)			(\$275,000)	(\$105,389)	(\$179,950)	\$96,141	\$103,167	\$110,731

Assumptions:

Paved roads (16' asphalt) per foot:	\$25
Driveways (9' clamshell) per foot:	\$10
Farm roads (9' graded) per foot	\$5
Trails cost (4' clamshell) per foot:	\$3
Landscaping per unit:	\$20,000
Electricity cost per foot:	\$3
Survey/engineering per unit:	\$5,000
Contingency (% of total improvements)	5.0%
Ave. interest rate on internal borrowed funds:	7.0%

**Plan for Securing Conservation Easements
Conservation Easement Program
Northampton County, Virginia**

Mt. Pleasant Farm

Mt. Pleasant Farm, a 416 acre seaside farm, was acquired by The Nature Conservancy in 1992 for a price of \$750,000. The property contains approximately 340 acres of upland and 76 acres of wetlands. Access to the property is from Route 600, the Seaside Road, at the intersection with Route 628. The property provides water access via Holt Creek to Ramshorn Bay.

Mt. Pleasant Farm was identified as a high priority tract for the following reasons: the property is one of the largest intact seaside farms in Northampton County; it contains good water access potential on Holt Creek; it has extensive developable soils; it has extensive public road frontage on the Seaside Road; it has an historic house shell which adds value and appeal to the property; it was listed for sale on the open-market by out-of-state owners who had no interest in conserving the property; and the Conservancy assessed a high potential for re-selling the property with a permanent conservation easement, because several potential buyers had expressed interest to the Conservancy in the property.

The property was purchased by the Conservancy using funds from two sources: (1) a \$375,000 donation by a Washington, DC couple to a Conservancy revolving fund, to be used initially to help acquire Mt. Pleasant Farm, and subsequently to acquire other priority properties on the Virginia Eastern Shore; and (2) a \$375,000 interest-bearing loan from the Conservancy's Land Preservation Fund.

The Conservancy intends to re-sell Mt. Pleasant Farm to conservation-minded buyers, subject to a permanent conservation easement that will protect the natural resource values of the property and the adjoining coastal waters.

The farm may be resold under any of the following scenarios, depending upon the goals of potential buyers:

- (1) To a single buyer, who could use the property for a personal residence.
- (2) To three different buyers in three separate parcels, as illustrated in the Alternative C concept plan and preliminary financial estimate. Each parcel would be allowed one primary residence and one guest house. The owners would share a common dock and screenhouse.
- (3) Up to 15 one acre cottage sites, as illustrated in the Alternative A concept plan, which might be used as lodging in association with a Conservancy-designed Eastern Shore nature tourism program, with the remainder of the farm (400 acres) retained by The Nature Conservancy.

All of these plans would dramatically reduce the development of the property as allowed under current county zoning ordinances, which would permit over 50 sub-divided residential lots on the property.

The Conservancy plans to re-sell the property via direct contact with potential conservation-minded buyers, as it has re-sold eight other Eastern Shore properties. Since the property's acquisition cost is being partly financed by a grant, the Conservancy does not face a tight timeline for resale. It is anticipated that the property will be resold within one to three years.

Standard Products Tract

The Standard Products Tract, a deepwater seaside property of approximately 28 acres, was acquired by The Nature Conservancy in 1992 for a purchase price of \$275,000. The property is an island located on the Machipongo River and Upshur Creek, connected to the Eastern Shore mainland by an improved causeway.

Standard Products was identified as a high priority tract for the following reasons: The tract is one of the very few seaside farm properties in Northampton County capable of providing deepwater access to ocean-going vessels; the property has excellent developable soils; the property has good access via an improved causeway; the property is located directly across Upshur Creek from the Conservancy's mainland headquarters, and is prominently visible to hundreds of visitors using the Conservancy's dock at Brownsville; the property was being placed for sale by an out-of-town seafood processing corporation which owned the property for potential commercial uses, and had no interest in its protection; a strong interest in acquiring the property with a permanent conservation had been expressed by a conservation-minded investor.

The property was purchased using an interest-bearing loan from the Conservancy's Land Preservation Fund. The Conservancy intends to re-sell the Standard Products tract to a conservation-minded buyer, subject to a permanent conservation easement that will protect the natural resource values of the property and the adjoining coastal waters.

Three concept plans were developed for the property. Alternative A provides for the use of the property as a dock and support center for one or more of the adjoining waterfront farms. Alternative B provides for its use for a single residence. Alternative C provides for its use for two residences. A preliminary financial analysis indicated that Alternative C added substantial value to the property. The property may be re-sold under some variation of any of these three scenarios, depending upon the goals of the potential buyers.

The Conservancy plans to re-sell the property via direct contact with an adjoining landowner and conservation-minded investor who has previously expressed interest in the property. It is anticipated that the property will be resold within one year.

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